

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

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TELENOR EAST INVEST AS,	:
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Plaintiff,	:
	:
-against-	:
	:
ALTIMO HOLDINGS & INVESTMENTS	:
LIMITED, ECO TELECOM LIMITED, CTF	:
HOLDINGS LIMITED, CROWN FINANCE	:
FOUNDATION and RIGHTMARCH LIMITED,	:
	:
Defendants.	:
	:
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**DECLARATION OF GONZALO S. ZEBALLOS**

I, Gonzalo S. Zeballos, declare under penalty of perjury, pursuant to 28 U.S.C. § 1746, as follows:

1. I am an associate at Lovells LLP, attorneys for Defendants Eco Telecom Limited ("Eco Telecom") and CTF Holdings Limited ("CTF") in the above-captioned proceeding. I am a member in good standing of the Bar of the State of New York and of this Court.

2. I submit this declaration, based upon my personal knowledge and upon the documents and files in the possession of Lovells LLP, in support of Eco Telecom's and CTF's Motion to Dismiss, or in the Alternative, to Compel Arbitration (the "Motion").

3. Attached hereto as Exhibit A is a true and correct copy of the Shareholders Agreement<sup>1</sup> entered into by Telenor East Invest AS (“Telenor East”) and Eco Telecom on May 30, 2001.

4. Attached hereto as Exhibit B is a true and correct copy of the Guarantee Agreement, dated as of May 30, 2001, between and among CTF, Eco Holdings Limited, VimpelCom and Telenor East.

5. On or about November 14, 2005, Telenor East filed a Notice of Arbitration and a Statement of Claim initiating an arbitration (the “Arbitration”) against Eco Telecom, CTF, and Eco Holdings Ltd. An arbitral tribunal (the “Tribunal”) was then constituted.

6. On or about March 31, 2006, Telenor East filed an Amended Statement of Claim in the Arbitration. In that Amended Statement of Claim, Telenor East demanded an award “compelling Eco Telecom to . . . allocate its votes to ensure the election of candidates to the Board in a manner consistent with the terms of the Shareholders Agreement.” A true and correct copy of the cover page and page 21 of the Amended Statement of Claim is attached hereto as Exhibit C.

7. On November 20, 2006, the Arbitration’s first evidentiary hearing took place in London, England.

8. On or about January 25, 2007, the Tribunal issued an interim award (the “Interim Award”). In the Interim Award, the Tribunal did not find that any of the parties had breached the Shareholders Agreement. The Interim Award did not grant Telenor East’s request for an award directing Eco Telecom to allocate its votes in favor of Telenor East’s nominees.

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<sup>1</sup> Capitalized terms used herein are used as defined in the Motion unless otherwise indicated.

9. On April 14, 2007, a procedural hearing for the Arbitration was held in London, England. During that hearing, the Tribunal confirmed that Eco Telecom could not nominate a fourth non-Independent candidate for election to the VimpelCom board unless and until it owned greater than 44% of VimpelCom's shares. Although Eco Telecom had named one too many non-Independent candidates, the Tribunal allowed Eco Telecom to cure this problem, which it subsequently did by withdrawing the excess non-Independent candidate. Attached hereto as Exhibit D is a true and correct copy of the cover page and pages 61, 62, 65, 66, 69 and 70 of the Transcript of the April 14, 2007 hearing before the Tribunal.

10. On or about June 7, 2007, Telenor East delivered a copy of the Complaint to Deutsche Bank AG.

11. Attached hereto as Exhibit E is a true and correct copy of Telenor ASA's presentation to Institutional Shareholders Services ("ISS") dated June 18, 2007.

12. Attached hereto as Exhibit F is a true and correct copy of ISS's description of its services relating to recommending votes to shareholders. This exhibit was downloaded from <http://www.issproxy.com/pdf/researchservices.pdf> on August 27, 2007.

13. Attached hereto as Exhibit G is a true and correct copy of a letter sent by Robert L. Sills, Esq. to the Court dated June 20, 2007.

14. On July 25, 2007 counsel for Telenor East, Eco Telecom and CTF had a conference call, in which I participated, with the members of the Tribunal. During that call, the Tribunal expressed its intent to issue a final award and not to take up additional claims by the parties. In so doing, the Tribunal made clear that it was not ruling on the question of arbitrability of any of any of the claims in this litigation. The Tribunal further stated that it would be willing, with the

parties' consent, to reconvene to hear the merits of any dispute between the parties for which this Court might compel arbitration. Finally, the Tribunal acknowledged that should the parties choose not to reconvene the Tribunal, the parties could present their claims to a different arbitration panel.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on August 27, 2007 at New York, New York.

/s/ Gonzalo S. Zeballos  
Gonzalo S. Zeballos (GZ-5994)